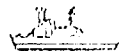




BHATIA SHIPPING & SERVICES PVT. LTD.

An ISO 9001:2000

SHIPPING HOUSE, KUMTHA STREET, BALI, MUMBAI - 400 038, INDIA
TEL: +91-22-5633 5000 FAX: +91-22-2267 4200 E Mail: bhatia@bhatiashipping.com



BSAPL/MBB/182/2002

18th December, 2002

To,
M/s Mankad & Associates Insurance Services Pvt.Ltd.,
153, Maker Chambers III,
J.Bajaj Road, Nariman Point,
Mumbai-400 021.

Fax No 022 2204 0488

Kind Attn: Mr. P.S. Swaminathan / Mr. Mohit Mankad

Dear Sir,

Sub: 'Peresey' Claim for recovery of two shipments under MTD No.BOM/WMD/47
per AO 2 dated 21.3.2002 from Jodhpur to Avon Mouth U.K. - Consignee M/s.
Salem Tube International Ltd.,

We enclose copy of letter Dated 16/12/2002 received from M/s.Alcobex Metals Ltd.,
Jodhpur, the contents of which are elaborate and explicit and matter of grave concern to
us. **You will observe they have not only forfeited our dues to the tune of Ruppes Two
Million but have also threatened to discontinue business with us if the claim is not settled
before 31st December, 2002, and also of legal action. This warrants for an emergent
settlement of the claim.**

Enclosed also is claim letter dated 17-12-02 received from Bank of India, Jodhpur ,
which also is required to be urgently dealt with. As you are aware we have not responded
to their earlier claim letter, followed by four reminders (copy of last reminder enclosed).

From the tone and temperament of the letter of M/s. Alcobex Metals Ltd., and the
pressure of Bank of India, we feel, we are being pushed to avoidable Multi Party
Litigation for no fault of ours. **It is high time that this claim should now be settled
honourably on warfooting in all fairness. You will appreciate the maxim of law "
DELAY DEFEATS EQUITY."**

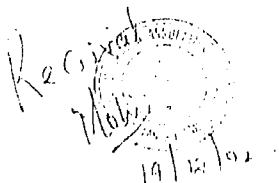
In the pretext it is pertinent to point out that :

- (1) It is a prima-facie case where a consignment has been conclusively delivered
without presentation of original Bill of Lading. This is a case of mis-delivery.

Contd..2..



THE QUALITY COUNCIL
FOR ACCREDITATION



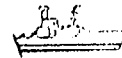
ISO 9001 : 2000
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- 2 -

- (2) We are surprised at the silence and inaction of M/s Cargo Levant (Liner) on the claim lodged by us. Instead of taking steps to get hold of the original Bill of Lading and/or bringing the culprits to the books, the liner has simply opted to notify its claim on their legal liability insurers and has been keeping mum on our communications till date. This gives us reasons to believe that the consignment has been allowed to be taken away by the receiver in connivance with them and or their agents. To substantiate our contention we quote hereunder a communication Dated 3rd June, 2002 received by us from M/s. Sai Shipping, the local agents of Cargo Levant (Liner) for your appraisal.

QUOTE:

Subject :FW:Persey
Date : Mon,3 Jun 2002 14:22:43 + 0530
From : "Khalid S. Vohra" khalid@saiship.com
To : "Raju Subramanian" raju@saiship.com
Attn : "Khalid Vohra " Pls.
Ref.: Mumbai / Avonmouth - B/L No.3 Your Previous faxes

Have asked agents at Avonmouth several times to clarify. After having not received any reply until Friday last we phoned agents who advised that he received instructions from his P + I club not to reply. Seems that agents made a mistake. If shippers feel they have a claim pls ask them to forward supporting documentation/evidence to us.

Brgds.
Cargo Levant
Manuel Traumer."

- (3) M/s. Salem Tube International Ltd. have manipulated to collect the consignment without retiring original Bill of Lading in connivance with Cargo Levant (Liner) and/or their Agents M/s. Cory Brothers (Vessel Agent) and have duped Bank of India of its legitimate dues knowingly, intentionally and dis-honestly for ill-gains. In this connection we will like to reproduce a fax message Dated 17/5/2002 of Mr. Tony Hewitt, General Manager M/s. Denholm Shipping Services Ltd., addressed to us in support of our contention.

QUOTE:

From : Tony Hewitt thewitt@denholm-shipping-brc.co.uk
To : huberthubert@bhatiashipping.com
Cc : Bryan King bking@denholm-felixstowe.co.uk



ACCREDITED BY
THE BUREAU COUNCIL
FOR ACCREDITATION

Contd. 3



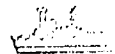
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TEL.: +91-22-5633 5000 FAX : +91-22-2267 4200 E Mail : bhatia@bhatiashipping.com



- 3 -

Sent : Friday, May 17, 2002 2:34 PM
Subject : Re: Shipments to S.H.E. Maritime A/D Salem Tubes HBL No.
BOM/SHF/048

Good Day,

According to our records we have not received original B/L and as such we have given no formal release to shipping line / port company. goods Customs cleared by ourselves. Shipping line have just confirmed no original presented, however have allowed cargo to be collected directly by receiver from the Port Company. Would appear Salem Tubes contacted Port direct agreeing to pay all RH&D charges. They then subsequently collected the goods themselves, despite us advising them we were appointed to provide haulage services. Am waiting response from the Port as to why cargo was released direct to receiver.

Hope above assists,

Best regards,

Tony "

- (4) It appears Salem Tube International are bent upon raking several extraneous and irrelevant commercial issues to mislead all concerned in vain attempt to escape from their legal liability despite the fact that the fraud perpetrated by them in connivance with the liner is a prime issue. They have entered into all sorts of concocted communications with the consignors, their bankers and solicitors of your underwriters, which will not stand the test of law.

For instance, refer Para 2 of letter dated 27th Sept., 02 addressed by Salem Tube International Ltd. to Natwest International Banking Centre wherein it is falsely stated that "Goods covered by the mentioned document have in error and without inducement been delivered to premises outside the conditions of terms of payment". And, contrary to this refer to last but one para of their letter Dated 5th Nov. 02 addressed to the solicitors of your underwriters M/s. Holms Hardingham wherein they aver that they have collected the goods fully believing that they were entitled to do so. The theory of belief propounded by them to your solicitors is hoax intended to mislead your solicitors in apprehension of legal action. Salem Tube International manipulated to collect the consignment directly from Docks on payment of Port, Beam hire and Haulage charges directly and duped the bank illegitimately. Their conduct is deplorable besides being dishonest and their Hands Are Not Clean. They deserve to be charged for fraud, criminal breach of trust and mis-appropriation of goods. It is a fit case to be reported to Police/CID.

Contd. 4.



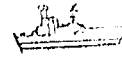
As required by
the Dutch Council
for Accreditation



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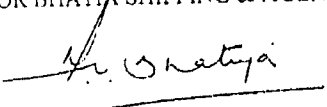
SHIPPING HOUSE, KUMTHA STREET, BALLARD ESTATE, MUMBAI - 400 038, INDIA
TEL.: +91-22-5633 5000 FAX : +91-22-2267 4200 E Mail : bhatia@bhatiashipping.com

- 4 -

It is an established fact that consignment has been mis-delivered, without production of original Bill of Lading. Our privity of contract is with you. We are put to unnecessary hardships, financial losses, and our reputation is at stake in the market. Bank of India & Aleobex Metals Ltd have threatened us of legal action. Aleobex Metals Ltd have forfeited our dues running to the tune of Rupees Two Millions. At this juncture, we seek a fair deal from you and request for prompt settlement of claim. We are confident that in such an adverse scenario, the underwriters of your repute will not let us down knowing well the legitimacy of our claim, which you will appreciate is over-due and deserves top priority.

Looking forward for your prompt response eagerly, we remain,

Yours faithfully,
FOR BHATIA SHIPPING & AGENCIES PVT. LTD.


MOHAN BHATIYA
(CHAIRMAN)

Encl : As above



BSAPL/MVB/305/2003

03rd May, 2003.

M/s Mankad & Associates Insurance Services Pvt.Ltd.,
153, Maker Chambers III,
J.Bajaj Road, Nariman Point,
Mumbai-400 021.

Kind Attn:Mr. K.S. Mankad

Dear Sir,

Reg : Claim from M/s. Alcobex Metals Ltd.
"Persey" – GEN/CI- 197/Bhatia/02

In reply to your E-mail dated 03 May, 2003, you may please inform your solicitors M/s. Holmes Hardingham that we have not yet initiated any action for arrest of " Trade Dawn " in Mumbai as apprehended.

It will be apt , of late, for you to please let us know the status of our claim being processed by you for more than a year.

You are aware the insurance cover taken by us last year is also nearing expiry but the claim filed by us under the preceding policy still remains unsettled by you after having exchanged voluminous correspondence. You are also aware of your conduct in changing positions and also false assurances from time to time in the past. It still appears you are only interested in collecting premiums in this country without relative responsibility to pay your liabilities under cover notes issued by you.

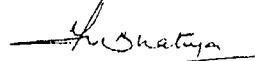
Your behaviour has literally shaken our confidence in you. We are seriously considering not only to discontinue our future business with you but also to alert concerned authorities.

We are also considering to refer this case to our Association for circulation to fellow members to caution while dealing with you.

We are hoping against hope that better conscience will prevail upon you and you will be good enough to settle the claim judiciously and avoid this unpleasant situation.

Thanking you,

Yours faithfully,
For BHATIA SHIPPING & AGENCIES PVT. LTD.



Mohan Bhatiya
Chairman



Mr. Vishnu,
2855804



BHATIA SHIPPING & AGENCIES PVT. LTD.

An ISO 9001-2000 Certified Company

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BSAPL/MBB/194/2002

31st December, 2002

To

M/s Mankad & Associates Insurance Services Pvt. Ltd.,
153, Maker Chambers III,
J. Bajaj Road, Nariman Point,
Mumbai-400 021.

Dear Mr. Swaminathan,

Reg : Claim from M/s. Alcobex Metals Ltd. "Persey" - GEN/CI-197/Bhatia/02

In reply to Ivan Eggermont's e-mail dated 30th December, 2002 addressed to you we regret the response is hypothetical, non committal and without prejudice, which we do not think would be proper to put to Alcobex Metals Ltd. as suggested. It will only aggravate the situation at a time when they are determined to proceed legally under pressure from their bankers and proceedings under FEMA.

We would like to emphasize that legal position between both of us vis a vis Alcobex Metals Ltd is crystal clear and you are delaying a proven liability.

We, therefore, once again call upon you to let us have your firm response before the expiry of the deadline of 31-12-2002 as previously communicated.

Thanking you,

Yours faithfully,
For Bhatia Shipping & Agencies Pvt. Ltd.,

MOHAN BHATIYA
CHAIRMAN.



REGISTERED BY
THE BUREAU OF INDIAN STANDARDS
NEW DELHI



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Registered QMS

Kalubel I

Page 7 of 10

26

BSAPL/MBB/197/2002

31st December, 2002

To
M/s Mankad & Associates Insurance Services Pvt.Ltd.,
153, Maker Chambers III,
J.Bajaj Road, Nariman Point,
Mumbai-400 021.

Kind Attn:Mr. S.K. Mankad

Dear Sir,

Reg : Claim from M/s. Alcobex Metals Ltd.
"Persey" - GEN/CI- 197/Bhatia/02

Your fax dated 31/12/2002 of 17.21 hours is received with contempt it deserves. The contents of your said fax are not understood, being in total contradiction of the admitted positions by yourselves, Mr. Ivan Eggermont - your principals, and Holms Hardingham, your solicitors. We, therefore refute your contentions as an afterthought at this belated stage.

We reiterate what has been stated in our earlier communications and rely on the correspondence exchanged between us prior to the receipt of your fax in reply.

In view of the foregoing and the deadline given by the shipper AND attitude adopted by you belatedly, it appears multi party litigation is imminent. In such an eventuality please note you will be liable for legal costs and consequences together with loss and damages suffered by us and continued to be suffered by us on account of non-settlement of claim by you of an admittedly mis-delivered consignment for an unreasonable period of about six months.

It is really sad and unfortunate that in such an open and shut case, the underwriters of your repute and stature adopt an unbusiness like attitude contrary to established commercial practices.

Thanking you,

Yours faithfully,
For Bhatia Shipping & Agencies Pvt. Ltd.,

MOHAN BHATIYA
CHAIRMAN.


 *2/1/03*

Exhibit K
BHATIA SHIPPING & AGENCIES

P. LTD.

An ISO 9001:2000 Certified Company

SHIPPING HOUSE, KUMATHIA STREET, HALLARD ESTATE, MUMBAI - 400 031, INDIA
TEL: +91-22-5633 5000 FAX: +91-22-2267 4200 E Mail: bhatia@bhatiashipping.com



BSAPL/MBB/200/2003

07th January, 2003.

To

M/s Mankad & Associates Insurance Services Pvt.Ltd.,
155, Maker Chambers III,
J Bajaj Road, Nariman Point,
Mumbai-400 021.

Kind Attn: Mr. S.K. Mankad

Dear Sirs,

Reg : Claim from M/s. Alecobex Metals, Ltd.
"Persey" GEN/CI- 197/Bhatia/02

We are sorry to transmit letter No. MD/Alecobex/019/03 dated 6th January, 2003 received from A. Mehta Laljee & Co. Advocates this afternoon at 13.50 hours. It is really painful that inspite of your all efforts the matter could not be resolved timely by your principals resulting in such unpleasant situation.

We were banking upon your assurance that you had a telephonic talk with Ivan Eggermont last week and were expecting a favourable response by closing hours of Monday January 5, 2003.

Any how, please advise us what reply is to be sent as we find no legal defense in the instant case wherein mis-delivery of the consignment by Cargo Levant has been admitted more than once in the correspondence exchanged with the shipper. ||

We await your prompt reply.

Yours faithfully,
For Bhatia Shipping & Agencies Pvt. Ltd.,

Mohan Bhatia
MOHAN BHATIYA
CHAIRMAN.

Encl: As above

Our copy / Ack copy.



ISO 9001 : 2000
Registered QMS

Exhibit L

SAILESH BHATIA
Managing Director



BSAPL/SLB/228/2003

28th January, 2003

To,

M/s Mankad & Associates Insurance Services Pvt.Ltd.,
53, Maker Chambers III,
Bajaj Road, Nariman Point,
Mumbai-400 021.

Kind Attn: Mr. P.S. Swaminathan

Dear Sir,

Reg : Claim from M/s. Aleobex Metals Ltd.
"Persey" - GEN/CI- 197/Bhatia/02

This refers to your fax dated 21-1-2003 which could not be promptly responded as this matter is handled by our Chairman who is on vacation. However, on contacting him over telephone he has advised us to address you as under:-

1. You have shaken our confidence in you by abruptly deviating from the agreed stand and positions in the correspondence and assurances to settle the claim by taking u-turn at the last moment in an unbusiness like manner, unexpected of a trusted underwriter of your stature.
2. It is apparent you are trying to shirk from your legal liability by hook or crook which you cannot escape. You have totally gone back from your own writings on record loosing track of the main issue involved i.e. fraudulent delivery without production of the original MTD's in utter breach of contract. Please refrain from detracting the main issue, is the clarion call of the day.
3. You have knowingly and intentionally delayed settlement of claim by raising irrelevant and extraneous issues repeatedly and you are continuing to do so. It was a mistake on our part to have relied upon you and acted upon your directions right from the inception of claim in good faith, which, of late, has now been realised after seeing your true colours.
4. Your reply besides being unethical is abuse of the word "INSURANCE" and a disgrace for the great GE Group you represent.
5. Don't be enthused of repudiating claim on ground of limitation. You are talking in illusion and ignorance. The reasoning adopted by you is ill founded which will not stand to the test of Law.

Contd.. 2..

Bhatia Shipping & Agencies Pvt. Ltd.
Shipping House, Kumbha Street, Ballard Estate, Mumbai - 400 038 INDIA
Tel: 5633 5000 Fax: 2267 4200 E-mail: bhatia@bhatiashipping.com



SAILESH BHATIA
Managing Director

- 2 -

6. Your inaction in taking any steps against ship owners and or its agents and wrongful receivers of consignment speaks volumes about your conduct in instant case of misdelivery of consignment , about eight months back last year , inspite of our requests.

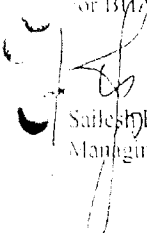
It is high time you should reconsider your decision and settle claim judiciously in all fairness, before it is too late, to avert head - on - collision and far reaching consequences of which you have no imagination and also of our suffering recorded in the correspondence with you. We reserve our comments for time being on your fax in reply which will be dealt by our Chairman on his return from vacation shortly.

While concluding, we want a prompt, specific and categorical reply from you whether you want to settle this claim judiciously or not , without detracting the prime issue any more , and if not, the reasons thereof. THAT IS ALL.

On receiving your reply we shall intimate the same to the shippers accordingly, whom we requested to hold on legal proceedings on your instance. again is a matter of record.

Thanking you,

Yours faithfully,
For BHATIA SHIPPING & AGENCIES PVT. LTD.


Sailesh Bhatia
Managing Director

Bhatia Shipping & Agencies Pvt. Ltd.
Shipping House, Kompta Street, Ballard Estate, Mumbai - 400 038, INDIA
Tel.: 5633 5000 Fax: 2267 4200 E-mail: bhatia@bhatiashipping.com